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CMSP Letter Number: 99-10 Issue Date: August 27, 1999

TO COUNTY MEDICAL SERVICES PROGRAM WELFARE DIRECTORS

SUBJECT: CLARIFICATION OF THE TREATMENT OF INCOME FOR MIXED SECTION 1931 (b) MEDI-CAL AND CMSP CASES

The County Medical Services Program (CMSP) has received several calls from counties requesting information as to how CMSP treats 1931 (b) income. The following questions and answers reflect the CMSP policy:

Question 1: When we have a family that consists of 1931 (b) eligible individuals, Medically Needy or Medically Indigent individuals, and a parent on CMSP, are all family members included in the CMSP Family Budget Unit (CFBU) maintenance need and income determination including those on 1931 (b)?

Answer: 1931 (b) budgeting for CMSP is the same as used for Medi-Cal. Those individuals on 1931 (b) are considered as Other Public Assistant (PA), such as Supplement Security Income/State Supplement Payment (SSI/SSP) individuals or those on cash based Medi-Cal (CalWORKS). These individuals are not included in the CFBU. However, the other members of the family who may be Medically Needy or Medically Indigent are included in the budget and the maintenance need.

Any income used in determining 1931(b) eligibility from the CMSP individual is not counted in the CMSP budget as it cannot be used twice.

Question 2: Are all family members included in the CFBU maintenance need and income determination when Sneede is applied to the Medi-Cal case?

Answer: If the CMSP individual's income was already included in determining the 1931 (b) persons eligibility it will not be used again for any purpose. Under "normal" circumstances (see CMSP Manual Section 8-056) all income attributed to a CMSP applicant/beneficiary from a Sneede v. Kizer calculation shall be considered countable income if the CMSP individual was also included in the Medi-Cal determination. All Medi-Cal individuals and CMSP individuals not PA shall be included in the CFBU.

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Question 3: Would the income and property of an adult or child receiving 1931 (b)
 Medi-Cal be included in his/her parent's CMSP eligibility share-of-cost determination?

Answer: No. As stated above, any income or property used in the 1931 (b) determination shall not be used for the CFBU. To simplify the issue, any income which remains in the Medi-Cal Family Budget Unit (FBU), share of cost determination is what is used in the CMSP share of cost determination. In addition, the number of individuals used in the Medi-Cal FBU is the same number to be used in the CFBU.

Income allocations and the other specific facets of the 1931 (b) program are confusing at best. County eligibility staff, for CMSP purposes, should regard 1931 (b) individuals as they have individuals on Other PA programs in the past, such as Aid to Families with Dependent Children (AFDC) or SSI/SSP.

The 1931 (b) program is <u>not</u> a CMSP program. Questions regarding 1931 (b) should be directed to Marge Buzdas, in the Medi-Cal Eligibility Branch, at (916) 657-2942.

If you have any questions about the CMSP and treatment of income, please direct them to Mr. Gary Varner, in the CMSP Unit, at (916) 322-1613.

Linda McFarland, Chief

County Medical Services Program

cc: Mr. Gary Varner
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